

JOSHUA ACADEMY, INC.

Vanderburgh County, Indiana

**SUPPLEMENTAL COMPLIANCE
EXAMINATION REPORT**

Year Ended June 30, 2014





STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B44808

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
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INDIANAPOLIS, INDIANA 46204-2769

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February 12, 2015

Charter School Board
Joshua Academy, Inc.
1230 East Illinois Street
Evansville, IN 47711

We have reviewed the Supplemental Audit Report prepared by Kemper CPA Group, LLP, Independent Public Accountants, for the period July 1, 2013 to June 30, 2014. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the finding in the report. Page 4 contains one audit result and comment. Management's response is on page 6.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for Joshua Academy, Inc. was prepared in accordance with the guidelines established by the State Board of Accounts.

The Supplemental Audit Report and the Financial Statements and Independent Auditors' Report are filed in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

JOSHUA ACADEMY, INC.

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JOSHUA ACADEMY, INC.

SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the Charter School Board	Rev. Larry Rasco	7/1/13 to 6/30/14
Executive Director	Pamela Decker	7/1/13 to 6/30/14
Treasurer	Michele Graham	7/1/13 to 6/30/14
Finance Manager	Sandra Byers	7/1/13 to 6/30/14



TRANSMITTAL LETTER

Board of Directors
Joshua Academy, Inc.

We have audited the statement of cash receipts and disbursement of Joshua Academy, Inc. (Academy) for the year ended June 30, 2014 and have issued our report thereon dated September 30, 2014. In conjunction with that audit, we also examined the Academy's compliance during the year ended June 30, 2014 with the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools* issued by the Indiana State Board of Accounts. The results of that supplemental compliance examination and our independent accountant's report thereon are reflected on pages 3 through 6 herein.

Kemper CPA Group, LLP

Evansville, Indiana
September 30, 2014

Certified Public Accountants and Consultants



INDEPENDENT ACCOUNTANT'S REPORT

Board of Directors
Joshua Academy, Inc.

We have examined Joshua Academy, Inc.'s (Academy) compliance with the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools* issued by the Indiana State Board of Accounts (Manual) during the year ended June 30, 2014. Management is responsible for the Academy's compliance with those requirements. Our responsibility to express an opinion on the Academy's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the requirements prescribed by the Indiana State Board of Accounts in *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, and, accordingly, included examining, on a test basis, evidence about the Academy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Academy's compliance with specified requirements.

Our examination disclosed a certain instance of noncompliance with the Manual, as described in the Audit Results and Comments.

In our opinion, except for the noncompliance described in the third paragraph, the Academy complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2014.

This report is intended solely for the information and use of management, the Board of Directors, and the Indiana State Board of Accountants, and is not intended to be and should not be used by anyone other than these specified parties.

Kemper CPA Group, LLP

Evansville, Indiana
September 30, 2014

Certified Public Accountants and Consultants

JOSHUA ACADEMY, INC.
Vanderburgh County, Indiana
Audit Results and Comments
Year Ended June 30, 2014

Payroll Schedule

Our testing revealed one instance where the Academy paid an employee at a rate that was not supported by either a payroll schedule or a labor contract.

Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Part 8: The charter school must establish a payroll schedule that details amounts paid annually, biweekly, hourly, etc. for all employees that are not included on a labor contract.

JOSHUA ACADEMY, INC.
Vanderburgh County, Indiana
Exit Conference
Year Ended June 30, 2014

The contents of this report were discussed on September 18, 2014, with the following persons:

Rev. Larry Rascoe
Pamela Decker
Amber Henry
Sandy Byers

The Official Response has been made a part of this report and may be found on page 6.



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September 18, 2014

To: State Board of Accounts
302 West Washington St.
Room E418
Indianapolis, IN 46204-2765

From: Rev. Larry Rascoe, President of Board
Amber Henry, Treasurer of Board
Pamela Decker, Executive Director
Sandy Byers, Finance Manager

OFFICIAL RESPONSE

For

Joshua Academy, Inc.

PAYROLL SCHEDULE

Audit Comment: Our testing revealed one instance where the Academy paid an employee at a rate that was not supported by either a payroll schedule or a labor contract.

Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Part 8: The charter school must establish a payroll schedule that details amounts paid annually, biweekly, hourly, etc. for all employees that are not included on a labor contract.

School Response: Joshua Academy, Inc. will submit to the Board of Directors a payroll schedule for Substitute Principal at the next Board meeting.